



## Press Release

### MARRI RETAIL PRIVATE LIMITED (ERSTWHILE J C BROTHERS RETAIL PRIVATE LIMITED)

February 07, 2024

Product	Rating	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	Downgraded and Issuer not co-operating	369.00	ACUITE BB+   Downgraded   Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)		369.00	-	-

## Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE Double B 'plus'**) from '**ACUITE A**' (read as **ACUITE A**) on the Rs.369 Cr bank facilities of MARRI RETAIL PRIVATE LIMITED (ERSTWHILE J C BROTHERS RETAIL PRIVATE LIMITED). This rating is now an indicative rating as client has not submitted No Default Statement (NDS) for the past 3 months. The downgrade is on account of information risk.

## About the Company

MARRI RETAIL PRIVATE LIMITED (ERSTWHILE J C BROTHERS RETAIL PRIVATE LIMITED), was established as a partnership firm in 2004 by Mr. Marri Janardhan Reddy and his family members and later in 2008 converted to a 'private limited' company. It is engaged in the business of retail trade of textiles, ready-made garments, jewelry and silver items through several showrooms based all around the Telangana and Andhra state. It was initially started as a proprietary firm with a 1000 sq ft retailing ready-made garments in 1998 at Ameerpet, Hyderabad. Since then, the group has opened several outlets in prime locations of Hyderabad retailing into textile, ready-made garments and jewelry items. Further, the group categorizes its showrooms and brands as per the textile and jewelry division.

## Unsupported Rating

Not Applicable

## Non-cooperation by the issuer/borrower

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite has also been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not cooperating", in line with prevailing SEBI regulations and Acuite's policies.

## Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite has endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

## **Rating Sensitivities**

No information provided by the issuer / available for Acuite to comment upon

**Liquidity Position**

No information provided by the issuer / available for Acuite to comment upon

**Outlook: Not applicable****Other Factors affecting Rating**

None

## Key Financials

Particulars	Unit	FY 22 (Actual)	FY 21 (Actual)
Operating Income	Rs. Cr.	1665.10	1080.70
PAT	Rs. Cr.	48.81	20.96
PAT Margin	(%)	2.93	1.94
Total Debt/Tangible Net Worth	Times	1.04	0.81
PBDIT/Interest	Times	8.49	5.48

### Status of non-cooperation with previous CRA

Not applicable

### Any other information

None

### Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Trading Entitie: <https://www.acuite.in/view-rating-criteria-61.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
16 Dec 2022	Term Loan	Long Term	19.44	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	98.00	ACUITE A   Stable (Assigned)
	Term Loan	Long Term	13.77	ACUITE A   Stable (Reaffirmed)
	Term Loan	Long Term	9.70	ACUITE A   Stable (Reaffirmed)
	Term Loan	Long Term	13.10	ACUITE A   Stable (Assigned)
	Proposed Long Term Loan	Long Term	0.61	ACUITE A   Stable (Reaffirmed)
	Working Capital Term Loan	Long Term	8.96	ACUITE A   Stable (Reaffirmed)
	Term Loan	Long Term	50.70	ACUITE A   Stable (Assigned)
	Term Loan	Long Term	6.57	ACUITE A   Stable (Reaffirmed)
	Term Loan	Long Term	30.68	ACUITE A   Stable (Reaffirmed)
	Cash Credit	Long Term	52.00	ACUITE A   Stable (Reaffirmed)
	Term Loan	Long Term	3.84	ACUITE A   Stable (Reaffirmed)
	Term Loan	Long Term	19.29	ACUITE A   Stable (Assigned)
	Term Loan	Long Term	25.91	ACUITE A   Stable (Assigned)
	Term Loan	Long Term	6.19	ACUITE A   Stable (Reaffirmed)
	Term Loan	Long Term	10.24	ACUITE A   Stable (Reaffirmed)
30 Nov 2022	Term Loan	Long Term	9.92	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Term Loan	Long Term	10.22	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Term Loan	Long Term	3.94	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Term Loan	Long Term	31.06	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Term Loan	Long Term	13.74	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Cash Credit	Long Term	52.00	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Term Loan	Long Term	19.04	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Working Capital Term Loan	Long Term	9.18	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Term Loan	Long Term	6.33	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
	Term Loan	Long Term	6.57	ACUITE A   Stable (Upgraded from ACUITE A-   Stable)
		Long		

01 Sep 2021	Proposed Bank Facility	Term	42.00	ACUITE A-   Stable (Assigned)
	Term Loan	Long Term	5.37	ACUITE A-   Stable (Assigned)
	Cash Credit	Long Term	52.00	ACUITE A-   Stable (Assigned)
	Working Capital Term Loan	Long Term	14.56	ACUITE A-   Stable (Assigned)
	Term Loan	Long Term	7.91	ACUITE A-   Stable (Assigned)
	Term Loan	Long Term	12.81	ACUITE A-   Stable (Assigned)
	Proposed Bank Facility	Long Term	5.00	ACUITE A-   Stable (Assigned)
	Proposed Bank Facility	Long Term	15.65	ACUITE A-   Stable (Assigned)
	Secured Overdraft	Long Term	5.20	ACUITE A-   Stable (Assigned)
	Proposed Bank Facility	Long Term	1.50	ACUITE A-   Stable (Assigned)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	150.00	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
Not Applicable	Not avl. / Not appl.	Proposed Long Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	0.61	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	25.86	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	50.70	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	13.10	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	25.91	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	3.84	ACUITE BB+   Downgraded   Issuer not co-

	appl.							operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	6.19	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	9.70	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	30.68	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	10.24	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	13.77	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	19.44	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)
HDFC Bank Ltd	Not avl. / Not appl.	Working Capital Term Loan	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	Simple	8.96	ACUITE BB+   Downgraded   Issuer not co-operating* (from ACUITE A)



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## Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 <a href="mailto:mohit.jain@acuite.in">mohit.jain@acuite.in</a>  Moparthy Anuradha Devi Analyst-Rating Operations Tel: 022-49294065 <a href="mailto:moparthy.anuradha@acuite.in">moparthy.anuradha@acuite.in</a>	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 <a href="mailto:rating.desk@acuite.in">rating.desk@acuite.in</a>

### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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